

# 5 Metrics To Arm HR Departments

In an economy that has been distinguished by cost-cutting measures and regulatory requirements, the demand for strategic HR practices has increased. It has become imperative for HR professionals to communicate clearly their value to executives in quantifiable metrics that can be leveraged to monitor the overall business. HR metrics should include recruitment costs, employee retention rates and satisfaction surveys.

A strategic plan around business intelligence enables HR to better analyze and explore necessary metrics to improve performance across the board. When HR is viewed as strategic and not tactical, a company can better optimize its investment. Below are the top five metrics necessary for HR.

## 1.) Retaining Quality Employees

The ability of your company to successfully compete in today's fast-moving markets is largely contingent upon the quality of the people on your team. Employee turnover costs can be significant, and companies should proactively identify factors leading to turnover. These analytics can help HR avoid at-risk employees.

If your HR processes are weak, it is unlikely that you will be able to find, attract and retain the best possible candidates for every position at your company. If you achieve HR excellence, on the other hand, you will be able to hire and keep a better class of employee.

## 2.) Motivation and Development of Employees

It's not just the quality of the people at the time you hire them that matters. What you do with that raw potential over time also has a significant impact on your long-term business performance. The investment companies make in employee development can be steep, so it is necessary to know if those investments are producing tangible results.

HR must identify current skills and anticipate any future gaps in order to better allocate training and development resources. With these metrics and analytics, HR can measure improvements in employee performance and the effectiveness of training programs as they relate to the costs.

## 3.) Recruiting Top Talent

Employees are a company's greatest asset yet they are also a company's greatest expense. HR professionals must assess and calculate their average cost-per-hire, so that they can measure the success of their recruitment efforts.

This analysis also enables HR to determine if certain recruitment methods work better than others.

## 4.) Continuous Alignment of HR Spend with Business Objectives

Every company needs to align its HR spending and processes with its specific business objectives.

There are areas where you might consider investing more to get more—and areas where you just want to minimize expenses. These priorities and objectives may also change over time as business conditions change. Quality HR processes enable you to align your HR spending with these shifting priorities, so you're always getting maximum business value from every HR dollar.

## 5.) Cost – Effective Benefits Analysis

Employee benefits are a major cost component for most companies. To ensure a company offers the most competitive plans, HR must analyze the complete costs to the company as well as employee participation levels.

When leveraging an integrated HRMS solution that includes payroll and employee benefits, HR can provide these metrics.

These five metrics can have a positive transformation for HR and its processes. With the right partner and by leveraging technology solutions such as an integrated HRMS for payroll, benefits and talent management, a company can offload their non-strategic functions so that HR can truly focus on the metrics and analytics described here. When a company empowers HR with powerful tools such as an integrated HRMS, HR can not only deliver additional value, savings and increased productivity but also help to transform the company's spend into a strategic corporate investment.

## About CheckPoint HR

CheckPoint HR is a trusted partner for companies with 50 to 2000 employees that want to drive down HR and benefits costs while improving processes. We provide a total solution that combines all of payroll, benefits administration and other HR management functions into a single, web-based system for automating the employee lifecycle. Through our unique combination of superior technology, deep HR expertise, and commitment to client satisfaction, we consistently achieve excellent results in both the short term and the long term.

To learn more about how CheckPoint HR's integrated solution can help you, please contact us at [sales@checkpointhr.com](mailto:sales@checkpointhr.com) or call 800-385-0331.

